

MARY ANN SMITH  
Deputy Commissioner  
SEAN ROONEY  
Assistant Chief Counsel  
AFSANEH EGHBALDARI (State Bar No. 250107)  
Counsel  
Department of Business Oversight  
1350 Front Street, Room 2034  
San Diego, California 92101  
Telephone: (619) 645-3166  
Facsimile: (619) 525-4045

Attorneys for the Complainant

BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT  
OF THE STATE OF CALIFORNIA

In the Matter of:

CFL Application No.: 60DBO-55972

THE COMMISSIONER OF BUSINESS  
OVERSIGHT,

Complainant,

ORDER DENYING CALIFORNIA FINANCE  
LENDERS LICENSE APPLICATION

v.

TRUE BLUE FUNDING, INC.,

Respondent.

Complainant, the Commissioner of Business Oversight (Commissioner), finds that:

1. On April 29, 2016, True Blue Funding, Inc. ("True Blue") submitted an application for a finance lender license with the Commissioner (Company ID. 1268496; hereinafter "application") through the Nationwide Mortgage Licensing System ("NMLS"). True Blue completed and submitted a Form MU1 through the NMLS as part of the application process.

2. Glenn Wilbor ("Wilbor"), the Chief Executive Officer of True Blue, verified the application of True Blue under penalty of perjury. The application identified Todd Mikles ("Mikles") as the indirect owner of True Blue. First Southern Corporation, Inc. is the 95% shareholder of True Blue, and Mikles is the 100% shareholder, officer and director of First Southern Corporation, Inc.

1           3.       In response to Items C and E of the Disclosure Questions on True Blue's MU1 (filed  
2 through NMLS), Wilbor stated that there was no pending regulatory action proceeding against a  
3 control affiliate for any alleged violation of a financial services-related regulation or statute; no  
4 regulatory agency found a control affiliate to have been involved in a violation of a financial  
5 services-related regulation or statute; no regulatory agency found a control affiliate to have been a  
6 cause of a financial services-related business having its authorization to do business restricted; no  
7 regulatory agency entered an order against a control affiliate in connection with a financial services-  
8 related activity; and no regulatory agency restricted a control affiliate's license.

9           4.       Public records available from the California Bureau of Real Estate ("BRE") show that,  
10 on June 8, 2015, the BRE filed its accusation to impose a disciplinary action against Mikles and one  
11 of his companies for mishandling of trust funds, and for failing to properly supervise and have control  
12 over the activities of the company.

13           5.       On March 25, 2016, Mikles, as the designated officer of the company, and the  
14 company stipulated to an order revoking their real estate licenses, and agreed to the issuance of  
15 restricted real estate licenses. The stipulation and agreement became effective on April 25, 2016.

16           6.       Although the BRE had initiated disciplinary proceedings against Mikles for  
17 mishandling of trust funds and for failing to properly supervise and have control over the activities of  
18 the company, in response to the Disclosure Questions, Wilbor stated that there was no pending  
19 regulatory action against the control affiliate.

20           7.       In addition, although the BRE had issued an order restricting the real estate licenses of  
21 Mikles and his company, as set forth above, Wilbor stated that no regulatory agency found that the  
22 control affiliate violated a financial services-related regulation or statute, caused a financial services-  
23 related business to have its authorization to do business restricted, entered an order against the control  
24 affiliate in connection with a financial services-related activity, and restricted his business activities.

25           8.       True Blue's responses to Items C and E directly contradicted the public records from  
26 the BRE. True Blue's application for a CFL license contained false statements of material facts, and  
27 the indirect owner of True Blue violated a similar regulatory scheme of the State of California.

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10. On September 2, 2016, the Commissioner issued a Notice of Intention to Issue Order Denying California Finance Lender License, pursuant to California Financial Code section 22109, subdivision (a)(3), and accompanying documents, which were served on True Blue, on October 7, 2016.

9           11. On October 12, 2016, a representative of True Blue contacted the Department of  
10 Business Oversight seeking to withdraw its application. The representative stated that True Blue had  
11 “completely liquidated. There are no officers, directors or employees which remain at True Blue.  
12 Therefore, we are requesting this matter be resolved without the need for a hearing or any further  
13 action from the Department of Business Oversight.” The Commissioner had already commenced the  
14 denial proceedings and did not accept the withdrawal request.

15           12.     The Commissioner has received no request for a hearing, and the time to request a  
16 hearing has expired.

17 NOW GOOD CAUSE APPEARING THEREFORE, it is hereby ordered that the finance  
18 lender license application filed by True Blue Funding, Inc. on April 29, 2016 is denied. This order is  
19 effective as of the date hereof.

20 Dated: October 26, 2016  
Sacramento, CA

JAN LYNN OWEN  
Commissioner of Business Oversight

By: \_\_\_\_\_  
MARY ANN SMITH  
Deputy Commissioner  
Enforcement Division